DOCUMENT RESUME

ED 128 881 EA 008 649

TITLE	Study of Resource Distribution Within School District 4J by Region, Level of School and Major Budget Item.
INSTITUTION	Eugene School District 4J, Oreg. Div. of Research, Development, and Evaluation.
PUB DATE	Mar 76
NOTE	28p.
EDRS PRICE	MF-$0.83 HC-$2.06 Plus Postage.
DESCRIPTORS	Average Daily Enrollment; *Educational Finance; Elementary Secondary Education; *Expenditure Per Student; Geographic Distribution; *Resource Allocations; *School District Spending; Student Enrollment; *Tables (Data)
IDENTIFIERS	*Oregon (Eugene)

ABSTRACT

This report examines the geographical distribution of expenditures within Eugene (Oregon) School District 4J during the 1974-75 fiscal year and compares these expenditure data with figures on average daily pupil membership for each of the district's four regions. Data for the study were taken from a report prepared by the district's accounting office on all expenses for each district school and from student enrollment reports submitted by the district to the State Department of Education. Overall, the Eugene district has a yearly budget of approximately $33 million and an average daily pupil membership of about 20,000 pupils. Expenditure data for 110 separate accounts within 13 major budget areas are examined for the elementary, junior high, and senior high school levels, as well as for different geographical regions. Because the report is intended to be purely descriptive, no value judgements are offered on the different expenditure levels observed. However, the discussion does place considerable emphasis on the difference in expenditures between the district's north and south regions. (JG)

****
* Documents acquired by ERIC include many informal unpublished *
* materials not available from other sources. ERIC makes every effort *
* to obtain the best copy available. Nevertheless, items of marginal *
* reproducibility are often encountered and this affects the quality *
* of the microfiche and hardcopy reproductions ERIC makes available *
* via the ERIC Document Reproduction Service (EDRS). EDRS is not *
* responsible for the quality of the original document. Reproductions *
* supplied by EDRS are the best that can be made from the original. *
****

ED128881

U S DEPARTMENT OF HEALTH,
EDUCATION & WELFARE
NATIONAL INSTITUTE OF
EDUCATION

THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL NATIONAL INSTITUTE OF EDUCATION POSITION OR POLICY

STUDY OF RESOURCE DISTRIBUTION WITHIN SCHOOL DISTRICT 4J BY REGION, LEVEL OF SCHOOL AND MAJOR BUDGET ITEM

Research, Development and
Evaluation
School District 4J
200 North Monroe
Eugene, Oregon 97402

March, 1976

EA 008 649

Table of Contents

		page
	Introduction	1
	General Differences Between the North and South Regions	5
	Differences by Type of School	6
I.	Elementary Level	13
	Principals' Salaries at the Elementary Level	14
	Instruction Accounts at the Elementary Level	15
	Operation Accounts at the Elementary Level	16
	Maintenance Accounts at the Elementary Level	16
	Capital Outlay Accounts at the Elementary Level	17
	Summary of Detailed Look at Elementary Level Accounts	18
	Additional Comments on Elementary Schools	18
	Comparison with Other Cost Analyses	20
II.	Junior High Level	20
III.	Senior High Level	21
	Additional Comments	23
	Summary Comments	

Tables

page

Table 1. Average Daily Membership (ADM) by Region for Total Region and Levels of Schools Within Regions 1

Table 2. Total Regional Expenditures by Region by Budget Item for 1974-75 Fiscal Year 3

Table 3. Senior High School Expenditures by Region and by Budget Item for 1974-75 Fiscal Year 7

Table 4. Junior High School Expenditures by Region and by Budget Item for 1974-75 Fiscal Year 9

Table 5. Elementary School Expenditures by Region and by Budget Item 11

Table 6. Mean Average Daily Membership (ADM) Cost by School Level and by Region 14

Table 7. How Many Dollars Above and Below the Average is Spent per ADM by Region by Level of School? 14

Introduction

This study examines the geographical distribution of School District 4J budget money during the 1974-75 fiscal year. The data were provided to the Research, Development and Evaluation Division (RD&E) by the Accounting Department. The data are taken from the document entitled "Detailed Statement by Schools of All Expenses for Year 1974-75." Approximately 96% of the budget is considered in this study. Title I funds are not considered to be part of the District's regular budget and are not included here.

This descriptive study was begun by the RD&E Division for three reasons. First, the Superintendent had requested his staff to provide cost data as a factual background for policy discussion about what to do with the District's smaller schools. Second, the Evaluation Department of RD&E wishes to undertake a cost analysis of differences in regional spending because of comments the Evaluation Specialist has heard about inequities in spending. Third, the subject matter discussed in this report is frequently talked about but comments made are not always correct. Thus, the third purpose of this report is to provide a factual "cleaning up" of general discussion about these topics. No assumptions or conclusions are drawn as to whether any particular expenditure, rate, or difference is appropriate or inappropriate.

The Eugene School District had approximately a 33-million dollar budget and an average daily pupil membership of 20,000 students. The District is divided into four regions: Churchill, North, Sheldon and South. Each region has one high school, two junior and a varying number of elementary schools. Table 1, below, shows the average daily membership (ADM) of the four regions. The average daily membership (ADM) concept is roughly equivalent to the number of enrolled students at any given time. These membership data were calculated from the Pupil Personnel Accounting Reports that the school district submits to the State Department of Education.

Table 1

Average Daily Membership (ADM) by Region
for Total Region and Levels of Schools Within Region
1974-75 School Year

	Total	Senior High	Junior High	Elementary
Churchill	4,653.2	1,103.5	1,310.4	2,239.3
North	5,654.6	1,184.7	1,586.5	2,883.3
Sheldon	4,289.5	1,060.7	1,226.4	2,002.4
South	5,601.2	1,294.8	1,516.4	2,790.0

As Table 1 shows, the North region had the largest daily average number of pupils, followed by the South Region, Churchill and then Sheldon. Table 2 is an overview of total regional spending across 13 major budget

categories. Tables 3, 4 and 5 describe regional spending, in turn, at the senior, junior high, and elementary levels for the same 13 major budget areas. These 13 areas are Administration, Principals' salaries, Teachers' salaries, Instruction (excluding salaries), Operations, Maintenance, Health, Pupil Transportation, Food Services, Capital Outlay, Fixed Charges, Student Body Activities, and Payments to Other School Districts. These areas are the major areas used by the Accounting Department in reporting budgetary data, and each area contains numerous individual accounts.

Tables 2, 3, 4 and 5 each contain four sections. Section A is a "Dollar Breakdown by Region" for each of the areas. This section states the dollar amount spent for each area within each region. Section B gives the "Percent of Total Budget Spent per Area by Region." This section gives a percentage showing what percent of the total regional budget was spent on each item. Section C gives the "ADM Cost per Area by Region." This section calculates the average amount per ADM spent in each area. The fourth section, D, uses the South region as a baseline to describe percentage differences in the average amount of ADM spent per area. This section presents another way of analyzing the dollar figures shown in the third section.

The first column in Table 2 shows the total regional budget. For example, the largest regional budget was that of the South region at $8,273,477. The next largest is the North region with $7,765,260. This is a difference of $508,217. Note that the ADM for each region from Table 1 is repeated at the top of Table 2. The North region had the highest ADM at 5,654.6 and South had 5,601.2, i.e., the North had 53.4 more ADM than the South region.

These tables contain much information, and the selection of what to analyze is inevitably biased in that only certain information is looked at. This report has a bias in that it chooses to emphasize the difference between the North and the South regions. Because of the District's current concern with declining enrollment and small schools in the South region and overcrowding in the North region, the decision to emphasize a comparison of these two regions has some justification, given the data. The two regions have similar-sized student populations, but the budgetary difference between these two regions is the largest difference among the regional budgets.

This report offers some reasons to explain why this situation exists, i.e., why is it that the North region had an average daily membership of 53 more students, but received half a million dollars less? Another way of asking the same question is to look at the first column of Section C, the section comparing ADM cost per item. For each ADM, the South region spent $1,477.09 and the North region spent $1,373.26, a difference of $103.83.

In asking these questions and trying to provide data relevant to their answers, this report definitely does not assume or imply that the District has made illegal or underhanded payments to a particular school because of some kind of favoritism. The budget figures referred to in this report represent salaries, direct charges for the running of schools and

TABLE 2 Total Regional Expenditures by Budget Item for 1974-75 Fiscal Year

TOTAL ADM BY REGION	
Churchill	4653.20
North	5654.60
Sheldon	4289.50
South	5601.21

* % do not add to 100% exactly due error.

	Total Budget	Administration	Principals Salaries	Teachers Salaries	Instruction	Operation	Maintenance	Health	Pupil Transportation	Food Serv.	Capit Outla
(A) Dollar Breakdown by Region											
Churchill	$6,746,434	$219,247	$323,386	$3,375,343	$758,420	$481,945	$340,362	$53,955	$105,744	$20,324	$156,
North	7,765.260	266,430	282,701	4,028,875	883,446	504,968	369,367	66,018	125,627	25,017	109,
Sheldon	6,179,116	202,110	282,754	3,152,084	713,021	417,027	281,574	49,675	94,554	18,760	129,
South	8,273,477	263,914	379,123	4,182,425	910,547	633,144	408,144	65,581	128,647	24,283	183,
(B) Percent of Total Budget Spent per Area by Region *											
Churchill	100%	3%	5%	50%	11%	7%	5%	1%	2%	0.5%	2%
North	100%	3%	4%	52%	11%	7%	5%	1%	2%	0.5%	1%
Sheldon	100%	3%	5%	51%	12%	7%	5%	1%	2%	0.5%	2%
South	100%	3%	5%	51%	11%	8%	5%	1%	2%	0.5%	2%
(C) ADM Cost per Area by Region											
Churchill	$1,449.85	$47.12	$69.50	$725.38	$162.99	$103.57	$73.15	$11.60	$22.72	$4.37	$33.
North	1,373.26	47.12	49.99	712.50	156.23	89.30	65.32	11.68	22.22	4.42	19.
Sheldon	1,440.52	47.12	65.92	734.84	166.22	97.22	65.64	11.58	22.04	4.37	30.
South	1,477.09	47.12	67.69	746.70	162.56	113.04	72.87	11.71	22.97	4.34	32.
(D) Percent Spent (more or less) of Dollars per ADM Compared Against Expenditure of South Region											
Churchill	-2%	0%	+3%	-3%	less than 1%	-8%	0%	-1%	-1%	+1%	+3
North	-7%	0%	-26%	-5%	-4%	-21%	-10%	0%	-3%	+1%	-41
Sheldon	-3%	0%	-3%	-2%	+2%	-14%	-10%	-1%	-4%	+1%	-8
South	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0

Rev. 3-4-76

to rounding

	Fixed Charges	Student body Activities	Payments to other school Districts
15	$886,013	$14,098	$10,882
77	1,074,468	15,136	13,330
89	814,552	13,552	10,063
14	1,064,534	16,542	12,979
	13%	1%	0.5%
	14%	1%	0.5%
	13%	1%	0.5%
	13%	1%	0.5%
8	$190.41	$ 3.03	$2.34
3	190.02	2.68	2.36
6	189.89	3.16	2.35
8	190.05	2.95	2.32
	less than 1%	+ 3%	+1%
	less than 1%	- 5%	+2%
	less than 1%	+ 7%	+1%
	0%	0%	0%

prorated indirect charges allocated on the basis of district-wide per-pupil formulas.

The remainder of the report just isolates the general categories where the differences occur and then considers differences by type of school: elementary, junior high, and senior high. Then the report considers the approximately 110 specific accounts within the general categories, looks at type of school, and identifies those accounts where the largest differences occur.

General Differences Between the North and South Regions

Given that there is a difference of $508,217, a look at specific areas will indicate which of the 13 areas show substantial differences. The second column of figures in Table 2, on Administration, show no variations by region. This column consists of district administrative expenses, which for accounting purposes are prorated across the region. Thus, the ADM cost per item in Section C shows identical per-ADM cost, $47.12, for each region. However, the next item, the salary for principals, shows that the South region spent $96,422 more than the North region. Moreover, the North region spent $40,685 less than the Churchill region on principal salaries even though the Churchill region had 1,000 fewer students in it.

In the Teachers' salaries item, the South region spent $153,550 more than the North region. Is the $153,550 due to the fact that there were more teachers in the South region? To answer this question, the January 1, 1974 Employee Budget Listing was examined. This listing is a computer printout generated by the Oregon Total Information Service (OTIS) from the information contained in the District's Personnel File #3850. The listing contains errors, so the following data are said to be approximate.

The listing is organized by account number. The salaries and numbers of all full-time teachers in the North and South regions were identified. In the South region, 239 teachers were identified with a mean average salary of $13,121. In the North region, 251 teachers were identified with a mean average salary of $12,658. Thus, the overall greater expenditure of $153,550 is due to a higher average seniority of South region teachers rather than more teaching personnel. Approximately $110,657 of the $153,550 can be attributed to the greater seniority of South region teachers. The remaining $42,893 has not been studied, but it might be attributable to seniority differences of part-time personnel or specialists.

The $153,550 is excluded from further analysis because the difference is due to seniority rather than a greater number of staff.

The Instruction category includes salaries, teaching supplies, and other instructional expenses such as books, periodicals, maps, and staff transportation expenses. For the purposes of this report, principal and teacher salaries are excluded. In the Instruction item, the South region spent $27,101 more than North. The $27,101 is the smallest difference between the two regions, despite the large amount of money spent in the Instruction area.

The Operation items include custodian salaries, and supplies, heat water, electricity, and other operating expenses. The difference in the Operation item is large; the South spent $128,170 more than the North region. Another way of thinking about the magnitude of the difference is to look at Section D. On a per-ADM basis, Churchill spent 8 percent less than South; Sheldon, 14 percent less; and North, 21 percent less.

The Maintenance accounts include maintenance salaries, supplies and materials. In Maintenance, the South region spent $38,777 more than the North region. The differences in the items for Health, Pupil Transportation and Foood Services are negligible.

The Capital Outlay category includes site improvements, assessments, remodeling and some equipment purchases. In Capital Outlay, the South spent $73,737 more than North.

The differences in Fixed Charges, Student Body Activities, and Payments to Other School Districts are negligible.

We began with the observation that the South region spent $508,217 more than the North region. Excluding those items where the differences were under $1,000 and excluding the $153,550 difference in Teachers' salaries, substantial differences remain in five items: $96,422 in Principals' salaries, $27,101 in Instruction, $128,770 in Operation, $38,777 in Maintenance and $73,737 in Capital Outlay. These differences total to $364,807.

The original question that began this analysis can thus be rephrased. Why is it that the North region with more pupils had $364,807 less district money spent on it? In addition to knowing which items the major differences occur within, it is also useful to know at what level the school differences occur.

Differences by Type of School

To do this, we turn to Tables 3, 4 and 5, and consider differences in each of the five items by type of school. Table 3 contains data on the senior highs, Table 4 on junior highs, and Table 5 on the elementary schools. The regional ADM for each level is printed at the top of the table. For Principals' salaries, at the senior high the South spent $6,647 less than North, $4,516 more on the junior high level, and $98,553 more than North on the elementary school level. That is, the difference between South and North in this item is almost entirely at the elementary school level.

In the Instruction item, South spent $26,785 more than North in the senior high level, $15,189 less on the junior high level, and $15,505 more on the elementary level. This is a mixed picture in that the South region spent more on the high school and elementary level than on the junior high level.

TABLE 3 Senior High School Expenditures by Region and by Budget Item for 1974-75 Fiscal Year

SENIOR HIGH ADM BY REGION

Churchill	1,103.5
North	1,184.7
Sheldon	1,060.7
South	1,294.8

* % do not add to 100% exac error.

	Total Budget	Administration	Principals Salaries	Teachers Salaries	Instruction	Operation	Maintenance	Health	Pupil Transportation	Food Serv.	Capital Outlay
(A) Dollar Breakdown by Region											
Churchill	$1,796,505	$51,994	$82,032	$912,076	$206,875	$131,199	$99,750	$13,020	$27,174	$4,645	$33,988
North	1,927,299	55,820	87,175	1,011,089	220,970	135,621	91,119	14,025	28,301	4,987	28,518
Sheldon	1,774,196	49,977	83,049	933,685	207,773	123,125	77,489	12,553	24,942	4,465	35,093
South	2,205,557	61,008	80,528	1,129,625	247,755	181,292	128,777	15,354	29,839	5,450	53,118
(B) Percent of Total Budget Spent per Area by Region *											
Churchill	100%	3%	5%	51%	12%	7%	6%	1%	2%	0.5%	2%
North	100%	3%	5%	52%	11%	7%	5%	1%	1%	0.5%	1%
Sheldon	100%	3%	5%	53%	12%	7%	4%	1%	1%	0.5%	2%
South	100%	3%	4%	51%	11%	8%	6%	1%	1%	0.5%	2%
(C) ADM Cost Per Area by Region											
Churchill	$1,628.01	$47.12	$74.34	$826.53	$187.47	$118.89	$90.39	$11.80	$24.63	$4.21	$30.80
North	1,626.82	47.12	73.58	853.46	186.52	114.48	76.91	11.84	23.89	4.21	24.07
Sheldon	1,672.06	47.12	78.30	880.25	195.88	116.08	73.05	11.83	23.52	4.21	33.08
South	1,703.40	47.12	62.19	872.43	191.35	140.02	99.46	11.86	23.05	4.21	41.02
(D) Percent Spent (more or less) of Dollars per ADM Compared Against Expenditure of South Region											
Churchill	-4%	0%	+20%	-5%	-2%	-15%	-9%	Less than 1%	+7%	0%	-25%
North	-4%	0%	+18%	-2%	-3%	-18%	-23%	less than 1%	+4%	0%	-41%
Sheldon	-2%	0%	+26%	+1%	+2%	-17%	-27%	1%	+2%	0%	-19%
South	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Rev. 3-4-76

tly due to rounding

Fixed Charges	Student body Activities	Payments to other school Districts
$216,986	$14,098	$2,668
231,672	15,136	2,864
205,928	13,552	2,564
253,138	16,542	3,131
12%	1%	0.5%
12%	1%	0.5%
12%	1%	0.5%
11%	1%	0.5%
$196.63	$12.78	$2.42
195.55	12.78	2.42
194.14	12.78	2.42
195.50	12.78	2.42
+1%	0%	0%
0%	0%	0%
-1%	0%	0%
0%	0%	0%

TABLE 4 Junior High School Expenditures by Region and by Budget Item for 1974-75 Fiscal Year

JUNIOR HIGH ADM BY REGION	
Churchill	1,310.4
North	1,586.5
Sheldon	1,226.4
South	1,516.4

*Categories in Section A do not equal T exactly due to rounding error.

** % do not add to 100% exactly due to r error.

	Total Budget	Administration	Principals Salaries	Teachers Salaries	Instruction	Operation	Maintenance	Health	Pupil Transportation	Food Services	Capital Outlay	Fix Cha
(A) Dollar Breakdown by Region*												
Churchill	$1,833,680	$61,743	$81,281	$930,625	$217,055	$124,046	$96,617	$ 9,657	$26,943	$5,535	$29,601	$24
North	2,110,356	74,752	76,013	1,065,463	265,761	138,089	107,764	11,748	31,737	6,702	28,956	29
Sheldon	1,722,237	57,785	82,786	876,233	209,674	114,080	82,772	9,096	23,755	5,181	26,362	23
South	2,033,858	71,449	80,529	1,022,418	250,572	131,525	99,423	11,189	32,501	6,406	37,879	28
(B) Percent of Total Budget Spent per Area by Region**												
Churchill	100%	3%	4%	51%	12%	7%	5%	1%	1%	0.5%	2%	1
North	100%	4%	4%	50%	137	7%	5%	1%	2%	0.5%	1%	1
Sheldon	100%	3%	5%	51%	12%	7%	5%	1%	1%	0.5%	2%	1
South	100%	4%	4%	50%	12%	6%	5%	1%	2%	0.5%	2%	1
(C) ADM Cost per Area by Region												
Churchill	$1,399.33	$47.12	$62.03	$710.18	$165.64	$94.66	$73.73	$7.37	$20.56	$4.22	$22.59	$1
North	1,330.20	47.12	47.91	671.58	167.51	87.04	67.93	7.40	20.00	4.22	18.25	1
Sheldon	1,404.30	47.12	67.50	714.48	170.97	93.02	67.49	7.42	19.37	4.22	21.50	1
South	1,341.24	47.12	53.11	674.24	165.24	86.73	65.57	7.38	21.43	4.22	24.98	1
(D) Percent Spent (more or less) of Dollars per ADM Compared Against Expenditure of South Region												
Churchill	+4%	0%	+17%	+5%	less than +1%	+9%	+12%	less than -1%	-4%	0%	-10%	
North	-1%	0%	-10%	0%	+1%	less than +1%	+4%	less than +1%	-7%	0%	-27%	
Sheldon	+5%	0%	+27%	+6%	+3%	+7%	+3%	less than +1%	-10%	0%	-14%	
South	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	

Rev. 3/4/76

tal

unding

d ges	Student body Activities	Payments to school Districts
,408		$3.168
,537		3,836
,549		2,965
,302		3.666
3%		0.1%
4%		0.1%
3%		0.1%
4%		0.1%
8.80		$2.42
8.80		2.42
8.80		2.42
8.80		2.42
0%		0%
0%		0%
0%		0%
0%		0%

TABLE 5 Elementary School Expenditures by Region and by Budget Item for 1974-75 Fiscal Year

ELEMENTARY ADM BY REGION

Churchill	2,239.30
North	2,883.40
Sheldon	2,002.40
South	2,790.01

* % do not add to 100% exactly due to roun error.

	Total Budget	Adminis-tration	Principals Salaries	Teachers Salaries	Instruct-ion	Operation	Mainte-nance	Health	Pupil Transpor-tation	Food Serv.	Capital Outlay	Fixed Charge
(A) Dollar Breakdown by Region												
Churchill	$3,116,248	$105,510	$160,073	$1,532,642	$334,490	$226,700	$143,995	$31,278	$51,626	$10,144	$93,126	$421,6
North	3,727,605	135,858	119,513	1,952,323	396,715	231,258	170,484	40,245	65,589	13,328	52,404	543,2
Sheldon	2,682,682	94,348	116,919	1,342,165	295,574	179,822	121,314	28,027	45,857	9,114	67,934	377,0
South	4,034,062	131,457	218,066	2,030,381	412,220	320,327	179,944	39,039	66,307	12,427	92,617	525,0
(B) Percent of Total Budget Spent per Area by Region*												
Churchill	100%	3%	5%	49%	11%	7%	5%	1%	2%	0.5%	3%	14%
North	100%	4%	3%	52%	11%	6%	5%	1%	2%	0.5%	1%	15%
Sheldon	100%	4%	4%	50%	11%	7%	5%	1%	2%	0.5%	3%	14%
South	100%	3%	5%	50%	10%	8%	4%	1%	2%	0.5%	2%	13%
(C) ADM Cost Per Area by Region												
Churchill	$1,391.80	$47.12	$71.48	$684.43	$149.37	$101.24	$64.30	$13.97	$23.05	$4.53	$41.59	$188.2
North	1,292.96	47.12	41.45	677.09	137.59	80.20	59.13	13.96	22.75	4.62	18.17	188.4
Sheldon	1,340.00	47.12	58.39	670.28	147.61	89.80	60.58	14.00	22.90	4.55	33.93	188.3
South	1,445.90	47.12	78.16	727.73	147.75	114.81	64.50	13.99	23.77	4.45	33.20	188.2
(D) Percent Spent (more or less) of Dollars per ADM Compared Against Expenditure of South Region												
Churchill	-4%	0%	-9%	-6%	+1%	-12%	less than 1%	less than 1%	-3%	-2%	+25%	less th +1%
North	-11%	0%	-47%	-7%	-7%	-30%	-8%	less than -1%	-4%	+4%	-45%	less th +1%
Sheldon	-7%	0%	-25%	-8%	less than -1%	-22%	-6%	less than +1%	-4%	-2%	+2%	less th +1%
South	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Rev. 3-4-76

ing

	Student body Activities	Payments to other school Districts
9		$5,046
9		6,630
5		4,534
4		6,182
		0.5%
		0.5%
		0.5%
		0.5%
8		$2.25
1		2.30
1		2.26
1		2.22
an		+1%
an		+4%
an		+2%
		0%

In Operations, the same mixed picture operates. The South region spent $45,671 more at the senior high, $6,564 less on the junior high, and $89,069 more on the elementary level. That is, of the $128,770 total difference in Operations, approximately two-third of it is due to differences at the elementary level.

In Maintenance, the same mixed picture also exists. The South region spent $37,658 more on Maintenance at the senior high level than the North region, $8,341 less than North on the junior high level, and $9,460 more at the elementary level.

Finally, in Capital Outlay, the South region spent $24,600 more than North at the senior high level, $8,923 more at the junior high level, and $40,213 more at the elementary level.

The following conclusions are reasonable, based on the above data. The differences occur in five budget areas. The South spent more than the North at the high school and elementary levels. The direction on expenditure is reversed at the junior high level.

The total dollar difference across these five general items at the senior high level is $141,361, $16,655 at the junior high level, and $252,780 at the elementary level. The South spent more at the senior and elementary levels and less at the junior high level. The next three sections look at the elementary, junior, and senior high levels. The elementary level is described first, since the difference is greatest here. In order to analyze differences within levels precisely, the particular accounts in each of the 13 budget areas were examined. Approximately 110 accounts are included in these 13 areas. The detailed data are not reproduced in this report, but are available in the District's Accounting Office.

I. Elementary Level

If the differences between North and South at the elementary level are summed across the five budget areas mentioned above, the total is $252,780. On the elementary level, the South region had an ADM of 2,790.0 and North had 2,883.4 ADM. Although the North region had 93 more elementary students than the South region, the Eugene School District spent approximately a quarter of a million dollars more in the South region. It should be remembered that none of this difference is attributable to differences in reimbursements to teachers, since teacher salaries were excluded from the above analysis.

Another way of looking at differences in levels is to look at the mean average number of dollars spent per ADM by region by level. Table 6 shows the average number of dollars per ADM by level by region. Table 7 takes the average and subtracts each one from the district average. That is, in Table 7, we see that the South region spent $44.47 more per ADM for a high school student than the district average. The $44.47 was found by subtracting South's mean ADM senior high figure, $1,703.40, from the district-wide average high school figure, $1,658.93.

Table 6

Mean Average Daily Membership (ADM) Cost
by School Level and by Region

	Total Region	Senior High	Junior High	Elementary
Churchill	$1,449.85	$1,628.01	$1,399.33	$1,391.80
North	1,373.26	1,626.82	1,330.20	1,292.96
Sheldon	1,440.52	1,672.66	1,404.30	1,340.00
South	1,447.09	1,703.40	1,341.24	1,445.90
District Average	$1,433.98	$1,658.93	$1,365.34	$1,367.67

Table 7

How Many Dollars Above and Below the Average
are Spent Per-ADM by Region by Level of School?

	Senior High	Junior High	Elementary
Churchill	- $30.92	+ $33.99	+ $24.13
North	- 32.11	- 45.14	- 74.71
Sheldon	+ 13.73	+ 38.96	- 27.67
South	+ 44.47	- 24.10	+ 78.23

The largest departure from the average in Table 7 is the $78.23 for the South's per ADM on the elementary level. The South region spent $78.23 per student more than the district average. The second largest departure from average is the North's per ADM on the elementary level. The North region spent $74.71 less per ADM than the district average. There is a spread of approximately $153 per student between the two regions at the elementary level.

What is there about the South region at the elementary level that leads to substantially higher costs in the categories of Principals' salaries, Operations, Maintenance and Capital Outlay? A review of the accounts in these areas shows that these areas relate to the cost of administering, keeping open and maintaining the school building. The South region has 11 elementary schools, Churchill 8 and 6 each in North and Sheldon. It is plausible to believe that the five additional schools in the South region might account for the $252,780 difference. The following paragraphs consider each of the five general areas in more detail.

Principals' Salaries at the Elementary Level

A difference in Principals' salaries between any two regions is due to a difference ia (a) seniority of principals, and (b) number of principals

in a region. How much of the $96,422 difference is due to seniority and how much is due to a difference in the number of principals? The South region had eight of its eleven principals at the top of the district's wage schedule and the North region had three of its six principals at the top of the wage scale. However, the average principal's salary is $152 higher in the North region because the remaining three North principals are higher on the wage schedule than the remaining three South principals. Thus, all of the $96,422 is due to a difference in the number of principals.

The average elementary principal's salary in the South region is $19,766.08. When multiplied by five schools, the product is $98,830.40. Thus, with this correction factor for seniority, we estimate that the five additional South region principals cost the district $98,830.40, and that all of the $96,422 difference may be attributed to the fact that the South has five additional schools.

Instruction Accounts at the Elementary Level

In Instruction, the South spent $15,508 more than the North. The accounts under the Instruction area are complexly divided into three groups: Salaries, Teaching Supplies, and Other Instructional Expenses. Principals' and Teachers' salaries have already been discussed; the cost of personnel at the Education Center is included in this group, but the cost is prorated by ADM. The only salary account under Instruction which has not been previously discussed and is not prorated is Secretaries and Clerical Assistants. This account contains the salaries of people who actually work in the schools, and the amounts in this account are thus direct charges and not prorated.

In the Secretaries and Clerical Assistants accounts at the Elementary level, the South region spent $30,625 more than the North region. This report does not further analyze the $30,625 to determine how much of this difference is due to differences in seniority among secretaries and clerical assistants versus how much is due to the existence of five additional schools in the South region. It is reasonable to assume, for example, given the result with principals' salaries above, that most of the $30,625 is due to the fact that each school in the South region had a full-time secretary.

Teaching Supplies contains nine accounts lumped together as one. Expenditure ceilings are placed on these accounts, and schools may or may not spend the amount of money budgeted for the particular category. This report does not analyze dollar differences here because the expenditure ceilings are based on a per-ADM dollar figure as set by the Budget Committee.

Other Instructional Expenses contains 20 accounts whose expenditure ceilings are either set on an ADM basis or are distributed for cost-finding purposes on an ADM basis. The only exception to this is Contracted Services, where the South spent $870 less than North.

Therefore, based on an account-by-account analysis, it is reasonable to infer that the $15,505 difference in the General Instruction categories, in which the South spends more than the North, is due to two factors which partially cancel out. First, the South spent $30,625 more than North in secretarial and clerical assistance. This magnitude is masked when totals from different accounts are added together, because almost all other accounts are linked to a per-pupil formula for allocating money to the accounts. Since the North region has a slightly higher average daily membership (ADM), it would receive a small amount more across these accounts. This accumulation partially cancels out the $30,625, reducing the gross total difference in the Instruction account to $15,505.

Operation Accounts at the Elementary Level

The South region spent $89,069 more than the North region on the ten accounts subsumed under the general heading of Operation. Eliminating accounts whose figures are prorated by an ADM formula or have little or no expenditures in them leaves six accounts. These six accounts contain the direct charges of operating the physical plant of a school: Custodian Salaries; Custodian Supplies; Heat; Water, Garbage and Sewer; Electricity; and Telephone and Telegraph.

In fiscal 1974-75, the South region spent $54,162 more than the North region on custodian salaries. How much of this difference is due to differences in seniority and how much is due to the existence of five additional schools?

The average custodian salary for the North and the South region was computed on 1975-76 data because 1974-75 data were not obtainable. There was no difference in the average salary between regions for full-time equivalent positions. Thus, this report assumes that approximately all of the $54,162 is due to the operation of five additional schools.

In the Custodian Supply account, the South region spent $3,904 more than the North region. The mean expenditure per school is higher in the North region, so this report assumes that all of the $3,904 is due to the additional schools. This same general pattern is true for expenditures in Heat; Water, Garbage and Sewer; Electricity; and Telephone and Telegraph. The South spends more than the North region in each of these accounts; however, the mean expenditure per school is higher in the North region. Thus, this report assumes that the following differences can be attributed to the operation of five additional schools: $17,624 in Heat; $3,465 in Water, Garbage and Sewer; $10,944 in Electricity; and $853 in Telephone and Telegraph.

Maintenance Accounts at the Elementary Level

The South region spent $9,460 more than the North region in Maintenance. The 13 accounts included in the maintenance category are divided into two groups: Salaries and Supplies, and Materials. The three salary

accounts are prorated by ADM since maintenance personnel are assigned to a central district pool and not to individual schools. These accounts are therefore not analyzed further.

Three of the 10 accounts included under Supplies and Materials are prorated by ADM. These accounts are Tool Replacement, In-Service for Maintenance, and Maintenance Transportation. Of the remaining six accounts, three are lumped together in the Accounting Offices' "Detailed Statement by Schools of All Expenses for Year 1974-75." These three accounts cover Maintenance of Furniture and Equipment, Autos and Trucks, and Library Books and Textbooks. Autos and Trucks is distributed on a per-ADM basis and the other two are a mixture of about 90% direct charges to schools and 10% prorated expenses incurred from maintenance of the Education Center. Because of this mixture and the difficulty of sorting out ADM costs from direct charges, these accounts are not further analyzed. The four remaining accounts are Maintenance of Grounds, Maintenance of Buildings, Replacement of Equipment and Contracted Services. While these accounts contain prorated expenses incurred in maintenance of the Education Center, the accounts are broken out separately and are reported upon below.

The South region spent $9,460 more than the North region across all 13 maintenance accounts. When the four non-prorated accounts cited above are studied individually, the difference increases to $12,859. In Maintenance of Grounds, the North spends $485 more than the South region and the mean expenditure per school is twice as high. In Maintenance of Buildings, the South spent $7,190 more than the North, although the North spent $1,000 more per school on the average. Since the North spent more on a per-school basis, the $7,190 can be attributed to the cost of maintenance in the additional five schools. In Replacement of Equipment, the South spent $5,112 more than North and the North schools had a higher per-school average expenditure. Since the South region had a lower per-school average, the South's greater expenditure can be attributed to the cost of maintaining five additional schools. Finally, in Contracted Services, the South spent $1,042 more than North, and since the North region had a higher per-school expenditure, the difference can be associated with the cost of maintaining five additional schools.

Thus, although the South spent $9,460 more when the totals for all maintenance accounts are considered, this figure is an underestimation of direct charges because the North has a slightly higher ADM. When the largest four accounts reflecting direct charges are considered, this report finds that it is reasonable to attribute $12,859 in 1974-75 maintenance costs to the South region's five additional schools.

Capital Outlay Accounts at the Elementary Level

The South region spent $40,123 more than the North region in the Capital Outlay area. This area contains ten accounts. Those accounts which are prorated had no expenditures in them, or had very small expenditures which are eliminated from the following analysis. Three accounts remain and the differences between the North and South regions are presented below.

Under Improvement of Sites, the South spent $3,193 more than the North. The mean expenditure per school in the North region was $173 higher than the mean for South elementary schools. Therefore, none of the $3,193 is attributable to South receiving more money on a per-school basis and this report assumes that the $3,193 is due to five additional schools in the South region.

Under Remodeling of Buildings, the South spent $25,259 more than the North region. The mean expenditure per school is $1,424 higher in the South region than in the North. If the schools in the South region had the same mean expenditure per school as the schools in the North region, the cost of remodeling for five schools would be $9,585. Thus, we conclude that of the $25,259 difference between the regions, $9,585 can roughly be attributed to the existence of five additional schools in the South region and $15,673 to greater per-school expenditures for South region elementary schools.

Under Equipment, the South region spent $10,174 more than North. The mean expenditure per school was $1,622 higher for schools in the North region. Therefore, none of the $10,174 is due to the South receiving more money per school, and this report assumes that the $10,174 difference is due to the five additional schools in the South region.

In summary of the Capital Outlay accounts, in general the South spent $40,123 more than North. This report estimates that approximately $22,952 of the difference is due to the existence of five additional schools in the South region and $15,673 of the difference is due to the South region receiving more money for remodeling. These two approximations account for 96% of the initial difference.

Summary of Detailed Look at Elementary Level Accounts

When only accounts composed of primarily direct charges are considered, this report finds the South region schools are generally cheaper to operate and maintain on the average, but because the South region has five more schools, the region spends more in total. This report estimates that approximately $256,218 in direct charges was spent by the South region in fiscal 1974-75 to staff, operate, and maintain the five additional schools. Another way of phrasing this same conclusion is to say that the North region educated more students than the South region and at a cost of $256,218 less than the South region. This conclusion was arrived at by examining accounts in the five general categories of Principals' Salaries, Instruction, Operation, Maintenance, and Capital Outlay. A systematic search through the accounts included in these areas began with the findings that across all these accounts, the South region spent $252,780 more than the North region on elementary schools, and that there is a spread of $153 per pupil between what the South spent and what the North spent. The search pattern eliminated those accounts whose costs were prorated by ADM, differences due to seniority, and accounts with small expenditures.

Excluding teacher salaries, the per-ADM difference is $102.

Additional Comments on Elementary Schools

How is it that the North region had approximately 100 more pupils on the daily average, but the South region had five more elementary

schools? The clearest available data that the Eugene District has on utilization of schools is the report entitled Existing School Facilities, Capacities and Current Utilization, September 1975. The pertinent data are in Table 6 on pages 339 and 341 of that report. Table 6 contains errors but the characterization is generally correct.

The building capacity report defined a process for establishing how many pupils could be placed in each school. The process set up uniform definitions of how these capacity figures were to be established. The report went on to look at enrollment and compare the difference between how many students could be placed in a school versus how many were placed there.

The September, 1975 report showed that the 11 elementary schools in the South region are operated at 75% of their capacity, the six elementary schools in the North region are operated at 90% of their capacity and the North region has a higher elementary enrollment. Other data in Table 6 show that the average utilization figure for all schools in the South region is 84%. This is the lowest utilization figure among the four regional figures. In contrast, the average utilization figure for all schools in the North region is 97%. This is the highest utilization figure among the four regional figures. The North and South elementary schools differ in size as well as utilization. The average capacity of the North region elementary schools is approximately 200 students more than the average capacity of South region schools. North region elementary schools were built to accommodate more students.

Thus, one key difference between the North and South regions is that the North region operates fewer elementary schools, but at a higher capacity, and the South region operates more schools but at lower capacities. The difference in utilization and capacity probably accounts for the North region's greater average per-school expenditures in operations and maintenance accounts.

Kindergartens are included in the ADM calculations of this analysis. Kindergarten programs were not located randomly across the district. Churchill had five programs, Sheldon and North four, and South had ten. The South region is the only region that does not bus kindergarten students within its region during the present school year.

Special education students are also included in this analysis.

The preliminary report of the Small Schools Task Force of October 17, 1975 estimated that the schools with low capacity will begin to increase their student body during the 1980's. The Lane Council of Governments study that the Task Force used further stated that all schools would be filled to capacity by the year 2000. The capacity situation in the South region will thus not change in the forseeable future and could become further skewed if kindergarten locations were less concentrated in the South region.

Comparison with Other Cost Analyses

The only other cost analysis of elementary schools known to the Evaluation Department is that contained in Chapter Three of the Fiscal Report of the Small Schools Task Force, February 16, 1976. The Task Force results are not comparable with the results of this report because the Task Force Report was written for a different purpose than the Evaluation Department's report. The Task Force wished to estimate potential savings of school closures. It did not calculate school costs for the 1974-75 fiscal year. Rather, its Chapter Three started with fiscal 1974-75 cost data but eliminated some school costs from entering into the cost figures used to calculate potential savings: secretarial and clerical salaries were generally eliminated because the Task Force felt that the District's new staffing plan, begun the 1975-76 school year, would equalize the distribution of these staff. Capital outlay costs were eliminated because the committee felt that they were unpredictable in future years. In general, all costs other than plant operation and maintenance and principals' salaries were excluded. The cost estimates of principal salaries were further reduced because of the Task Force's assumption about the effect of the staffing plan on allocation of administrative time in the District's four smallest schools.

The two reports differ in one factual conclusion. Table Two of the Task Force report combined operations and maintenance, calculated per ADM figures for these categories by school and found no significant variation by school. Table 5 of the RD&E report breaks out operations and maintenance separately, finding a marked regional variation in per-ADM operations costs, but little regional variation in per-ADM maintenance costs.

For the purposes of the Evaluation Department, the Task Force report minimizes the amount of cost incurred to fiscal 1974-75 by the District. For the Task Force's purposes, the assumptions made in analyzing 1974-75 costs were reasonable since staffing policy decisions made in 1975-76 would affect the amount of savings resulting from a school closure made in 1976.

Junior High Level

As noted above, the direction of expenditures is reversed at the junior highs. Across all accounts the North region spent $76,498 more. Approximately $43,000 of this was spent on teacher salaries. Although the average salary of full-time North region teachers was $494 lower than South region teachers, there were eight more full-time teachers listed in the January 1, 1974 Employee Budget listing. This report assumes that the $43,000 difference is due to there being a greater number of junior high teachers in the North region.

The remaining $33,498 difference is due to differences in Instruction, Maintenance and Operation. Since the Instruction category contains many accounts which are prorated by ADM, the $15,189 is not further

analyzed. The largest difference within the non-prorated Maintenance account is in Maintenance of Building, where the North region spent $4,464 more than South. The Operations accounts are mixed in that the largest non-prorated expenditures cancel each other out. For example, the North spent $12,136 more on heat but the South spent $12,416 more on electricity. The largest non-prorated account is Telephone and Telegraph, where the North spent $2,257 more.

In general, teacher salaries excluded, the expenditures show a very mixed picture and differences in non-prorated accounts appear to stem from idiosyncratic school characteristics.

Senior High Level

Table 3, Section A shows that the North region had 110 fewer students on the average than the South region at the senior high level. The South region spent $278,258 more than the North region did. If we exclude $118,536, which is the amount spent on teachers' salaries, then the remaining $159,722 is the difference between the amount spent on South from that spent on North. This difference of $159,722 excludes teacher salaries since teaching staffs differ in their seniority and pay levels.

Which budget areas show the largest differences? As noted earlier, the differences between the North and South region occur in the five budget areas of Principals' salaries, Instruction, Operation, Maintenance, and Capital Outlay, and this total is $141,361.

This report excludes Principals' salaries from further analysis, since each region has only one high school.

Of the remaining four areas, the largest of the four differences is in Operations, where South spent $45,671 more than North. In order to describe this difference better, the accounts within the Operations area were examined. Considering only those accounts in which the account differences are greater than $5,000, then within the Operations area, the South region spent $14,805 more on custodian salaries, and $22,619 more on heating. An additional $7,134 was spent on Operations of Action High, an alternative high school located in Lincoln Elementary School. These three differences sum to $44,558.

The next largest difference of the four differences is in Maintenance, where the South spent $37,658 more than North. The only account under Maintenance where the difference was greater than $5,000 was in Supplies and Materials for maintenance of buildings, where the South spent $26,872 more than the North region.

The next largest difference is in Instruction, where the South region spent $26,785 more than North. There are no accounts where the South region spent $5,000 more than the North region. Rather, the final difference is due to an accumulation of smaller differences across many accounts.

The fourth largest difference is in the Capital Outlay account, where the South region spent $24,600 more than the North region. The only account under Capital Outlay where the difference was greater than $5,000 was in Remodeling of Buildings, where the South spent $19,714 more than North.

Thus, a look at the accounts shows that the difference of $141,361 between South and North at the senior high level is generally attributable to custodian salaries, heating, maintenance of buildings, and remodeling of buildings.

Why would these differences exist between South Eugene High School and North Eugene High School? Six possible factors contribute to the difference: size, building utilization, age, heating and insulation, lighting and staff demand for maintenance services. These factors are not presented as definitive answers to explain the differences; rather, they are presented as information pertinent to discussing the differences.

South Eugene High School has 83,000 square feet more than North Eugene and this size is associated with higher operation and maintenance costs. South Eugene is more heavily utilized by outside groups because its auditorium seats 2,000 people and there is a bigger demand for it than for auditoriums of other schools. Additional utilization occurs because Lane Community College has approximately 25 courses there every week. Thus, while North Eugene is operating at 106% of its pupil capacity and South Eugene at 97% of pupil capacity, South Eugene has higher after-school building utilization.

South Eugene is six years older than North and sometimes this age difference makes it slightly more difficult to find replacement parts for the mechanical equipment at South Eugene. Heating and insulation are a problem at South Eugene since it has less insulation, proportionately greater window space and an inefficient heating system. For example, the heating system at South is a 100% fresh air system, which means that warm air is not recirculated. In contrast, North Eugene's ventilation system recirculates 60% of previously-heated air. South Eugene's heating system and all mechanical parts associated with it are overloaded; cleaning repair and preventive maintenance costs reflect that strain. Some work in improving the heating efficiency at South has been done. The cost of the improvements fall under the Capital Outlay budget item as expenses in the account Remodeling of Buildings.

In addition to the above factors, South Eugene was originally constructed with primarily incandescent lighting and it is more expensive than fluorescent lighting. Finally, the Maintenance Department reports that the staff at South Eugene generates more demand for maintenance attention than the staff at North Eugene.

This report concludes that the School Board and administration should consider making a review of the heating and insulation costs at South Eugene and the desirability of incurring a capital outlay expense to reduce the magnitude of the yearly expenses created by the heating and

insulation situation at South Eugene. Such a review should be done sooner rather than later as inflationary increases in contracting services and supplies will result in even higher yearly expenses. The longer such work is postponed, the more expensive it will be.

The District does not have an energy conservation plan nor has it systematically studied the relative efficiency of the schools' heating, water, lighting and electrical systems.

Additional Comments

It is not possible to obtain estimations of how much tax is paid by residents of the regions within the school district. The accounting office of Lane County states that tax receipts are not coded in a way that allows individual receipts from a particular geographical area to be summed, thus this report cannot make comparisons between the monies expended by the school district in a given area and the tax receipts received by the school district from that area.

The last special election on the school district's budget was held on June 17, 1975. An analysis of precinct results shows that precincts in the North region had the lowest proportion of voters voting yes, and the lowest regional turnout of voters. Conversely, the South region had the highest proportion of yes votes of the four regions, and had the second highest turnout. Six of the 14 Budget Committee members live in the South region. Four of the seven School Board members live in the South region.

As noted above, the per-pupil ADM cost of the North Region was $1,373 for 1974-75. This is the lowest of the District's four regions. However, is $1,373 an unusual or significantly low per-pupil expenditure? A comparison with other Oregon school districts indicates that $1,373 is not unusual or significantly low. Data obtained from the State Department of Education on per-ADM expenditure by school districts shows that: first, that of the 30 Oregon school districts that had an average daily membership of more than 3,000 students, 21 spent less than $1,373 a year per student and nine spent more. Second, of the 333 school districts, excluding Eugene, 191 spent less than $1,373 and 142 spent more.

Summary Comments

Using data obtained from the District's Accounting Office, this report describes where and how 1974-75 budget money was spent. Approximately 110 accounts in 13 major budget areas are examined. The South region of the District spent more money than any of the other three regions. The greatest overall difference is between the North and South regions. This report is biased in that it chooses to focus on this difference and account for it. The South region spent $508,217 more than the North region, although the North region had a larger average daily student body. The report systematically examines regional differences by type of school: senior, junior and elementary are described.

The differences between the South and the North region are primarily due to differences in spending at the elementary level and secondarily at the high school level. Spending in these levels is examined systematically account by account. Excluding teacher salaries, approximately $256,000 more was spent on elementary schools in the South region than in the North region. The South region operates 11 elementary schools. On the average, these schools are smaller in size, cheaper to operate and have lower occupancy rates than the six schools in the North region. There were more elementary pupils in the six North schools than there were in the 11 South schools. The operation of small schools at partial capacity results in a situation whereby the school district spent $102 more on a child going to an elementary school in the South region than it did on a child attending a North region elementary school.

The Final Report of the Small Schools Task Force did not directly analyze 1974-75 costs and their costs data underestimate 1974-75 costs.

On the senior high level, again excluding Teachers' salaries, the South region spent $159,722 more than the North region. The differences are generally attributable to large differences in five accounts in the Operations, Maintenance and Capital Outlay budget items. Six possible factors accounting for greater expenditures at South Eugene High School are described. The report suggests that the heating and insulation cost situation at South Eugene High School should be further studied.

Additional comments are made about regional differences in contributions to the District's tax base, special election results by region, where Budget Committee members live, and expenditures of other Oregon school districts.

This report is intended to be a descriptive analysis of some 1974-75 budget expenditures. No value judgments are intended as to the desirability of increasing or decreasing particular expenditures. Nor is it implied that any particular expenditure, ratio or difference is appropriate or inappropriate.